COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF SOUTH CENTRAL BELL TELEPHONE COMPANY, LESLIE COUNTY TELEPHONE COMPANY, INC. AND GTE SOUTH INCORPORATED

CASE NO. 94-390

)

)

)

)

)

ALLEGED FAILURE TO COMPLY WITH COMMISSION REGULATION 807 KAR 5:006

<u>O R D E R</u>

On November 3, 1994, South Central Bell Telephone Company ("South Central Bell"), Leslie County Telephone Company, Inc. ("Leslie County") and GTE South Incorporated ("GTE South"), utilities subject to Commission jurisdiction pursuant to KRS 278.010, were ordered by the Commission to show cause why they should not be subject to the penalties prescribed in KRS 278.990 (1) for their alleged violations of Commission Regulation 807 KAR 5:006.

Commission Regulation 807 KAR 5:006, Section 26(1), requires each utility, within two hours following discovery, to notify the Commission by telephone or electronic mail of any utility-related accident which results in actual or potential property damage of \$25,000 or more, or loss of service for 4 or more hours to 10 percent or 500 or more of the utility's customers, whichever is less. In addition, Section 26(2) requires each utility involved in a utility-related accident to submit to the Commission a summary written report within 7 calendar days of the accident.

At approximately 5:30 a.m. on April 16, 1994, a South Central Bell microwave relay tower near the city of Jackson, Kentucky collapsed, causing a loss of toll connections for the exchanges of Jackson (South Central Bell); Buckhorn and Canoe (Leslie County); and Hazard, Leatherwood, and Vicco (GTE South). The service of approximately 4,224 South Central Bell subscribers was affected by the collapse of the tower. South Central Bell notified the Commission of the accident sometime between 10:30 a.m. and 11 a.m. on April 17, 1994, outside the two-hour period specified by the regulation, and submitted to the Commission a summary written report of the accident on April 18, 1994.

The service of approximately 12,000 GTE South subscribers was affected for approximately 14 hours on April 16, 1994. GTE South personnel had knowledge of the loss of toll service shortly after the collapse of the tower because toll circuits are equipped with automatic alarms which immediately notify central office personnel of a failure. At the request of Commission Staff, on April 27, 1994, GTE South submitted a letter briefly describing the accident and its effect on GTE South customers. GTE South neither notified the Commission nor filed a written report within the time frames specified by the regulation.

The service of approximately 1,529 Leslie County subscribers was affected until April 18, 1994. Leslie County personnel had knowledge of the loss of toll service shortly after the collapse of

-2-

the tower because toll circuits are equipped with automatic alarms which immediately notify central office personnel of a failure. Leslie County neither notified the Commission nor filed a written report within the time frames specified by the regulation.

• •

The parties do not dispute that they failed to notify the Commission within the two-hour time frames specified in 807 KAR 5:006. Leslie County and GTE South do not dispute that they failed to file summary written reports within the seven day period specified in 807 KAR 5:006. The Commission therefore finds that South Central Bell, GTE South, and Leslie County violated 807 KAR 5:006. However, each of the parties has filed responses to the Commission's Order describing specific steps they have taken to ensure that similar violations will not recur.

Specifically, Leslie County has posted, and given all its employees copies of, a memorandum setting forth reporting requirements for accidents; designated its supervisor of network operations as the employee responsible for reporting accidents in conformity with Commission regulations; developed and distributed an emergency preparedness plan which details the relevant notification procedures; assigned the written notification responsibility to a specific section; provided beepers and mobile radios to key personnel; and added a standing agenda item concerning notification of accidents to its monthly safety meetings.

Similarly, the GTE South Company Division Manager in Lexington has taken steps to ensure that management staff members receive

-3-

copies of pertinent Commission rules. In addition, GTE South has instructed its staff as to the importance of compliance.

South Central Bell also has emphasized to its employees the importance of immediate notification. In addition, South Central Bell has distributed pagers and notification lists, complete with Commission Staff home telephone numbers, to appropriate employees. This information has also been included in South Central Bell's emergency restoration manuals.

In light of the steps taken by the parties to ensure future compliance with 807 KAR 5:006, the Commission finds that further action on its part is unnecessary.

IT IS THEREFORE ORDERED that this case be, and it hereby is, dismissed.

Done at Frankfort, Kentucky, this 20th day of January, 1995.

PUBLIC SERVICE COMMISSION

-Brea thit

ATTEST:

Executive Director